

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

DONEGAL, INC.,
Plaintiff,

No. 1:10-cv-923

-v-

HONORABLE PAUL L. MALONEY

KEPS TECHNOLOGIES, INC, D/B/A
ACD.NET; KEVIN SCHOEN; AND
MICHAEL OESTERLE,
Defendants.

ORDER GRANTING DEFAULT JUDGMENT AGAINST DEFENDANT KEPS
TECHNOLOGIES, INC.

Plaintiff Donegal Inc. (Plaintiff) properly served a summons and complaint on Defendant KEPS Technologies (Defendant KEPS) on September 22, 2010. (ECF No. 3.) Defendant KEPS failed to respond or answer the complaint within the allotted time. Default entered against Defendant KEPS on October 19, 2010. (ECF No. 13.) Plaintiff now moves for default judgment. (ECF No. 14.) Having reviewed the submissions, Plaintiff's motion for default judgment against Defendant KEPS is **GRANTED**.

IT IS HEREBY ORDERED that Plaintiff's motion is **GRANTED** and default judgment is entered in favor of Plaintiff and against Defendant KEPS on Counts I through VI and IX of the complaint.

IT IS FURTHER ORDERED that Defendant KEPS shall pay Plaintiff the sum of \$1,188,525.80, plus interest.

IT IS FURTHER ORDERED that KEPS and its officers, agents, servants, employees and attorneys shall be estopped from applying to the KEPS common stock pledged to Plaintiff the asserted transfer restrictions in the putative KEPS Shareholder Agreement.

IT IS FURTHER ORDERED that KEPS and its officers, agents, servants, employees and attorneys shall register and issue a certificate in Plaintiff's name 31,468 shares of KEPS common stock or 20.33% of the outstanding shares of KEPS common stock, whichever is greater.

IT IS FURTHER ORDERED that KEPS is liable for costs and attorney fees in an amount to be determined on further submission and approval by the Court. Plaintiff shall submit by declaration of counsel its fees and costs with 14 days of this Order granting default judgment, and submit a bill of costs to the clerk pursuant to Local Rule 54.1.

IT IS FURTHER ORDERED that the terms of this Order granting default judgment shall be enforceable against KEPS, its successors in interest and assignees, and any persons or business entities working in concert with KEPS.

IT IS FURTHER ORDERED that the Court shall retain jurisdiction to enforce this Order granting default judgment. If KEPS shall be alleged to have failed to adhere to the terms of this Order, Plaintiff shall have the right to re-open this matter upon motion filed and heard on an expedited basis. If this matter is so re-opened, Plaintiff may pursue any and all remedies it may have against KEPS.

Date: November 16, 2010

/s/ Paul L. Maloney
Paul L. Maloney
Chief United States District Judge